Evening the Odds

Making online gambling safer by default

citizens advice

Benedict Guindi
Sam Fennell

Contents

Financial quicksand	3
Summary	**4**
The story in numbers	5
1. Online gambling and debt	**6**
Online gambling in 2021	7
Difficulties staying in control lead to gambling debt	8
2. Online gambling is like quicksand	**10**
Online gambling is too easy to slip into	11
Difficulties getting out	12
3. Slippery product design leads to gambling harm	**14**
4. Making safe gambling the default	**18**
Existing gambling controls can be effective but the take up is low	19
Safer gambling requires safer defaults	22
Recommendations	**22**
Methodology and references	24

Financial Quicksand

This report is part of a program of work we are doing on the emergence of **financial quicksand** — online spending that's easy to slip into but difficult to get out of.

We're looking at the ways in which this is built into product design. As markets have moved online, companies know more about us and have developed ways to manipulate our behavioural biases. Using sophisticated, slick product design, companies can nudge online consumers to make passive financial decisions they didn't set out to make, including with products that are inherently risky or involve long term payment commitments.

For example, consumers might not go looking for a credit agreement but come across a Buy Now Pay Later option at the checkout when they're shopping online. Or they may want to stop their online gambling session but are then given a pop up offer telling them that the website will match whatever money they deposit in that instance with a free bet.

Once signed up, companies often use sludge to make it difficult for consumers to get out or get help - like being forced to email customer services to close an account that could be opened directly in minutes.

The result is that consumers are trapped in financial decisions they didn't set out to make or didn't have the time to fully consider.

Summary

Gambling is a rapidly evolving market, and the settings in which people gamble have changed dramatically. The move online has made gambling much more accessible. Unlike traditional gambling, online gambling is available at the touch of a button, 24 hours a day without interruption.

Gambling companies know more and more about their users and have developed cleverly designed products that tap into human behaviour to get people to keep playing and spending.

Online gambling is easy to get into but difficult to get out of

Citizens Advice commissioned a survey as part of our research on online gambling. For the purpose of this report 'online gamblers' are those we surveyed who said that they had gambled online in the previous 3 months of our polling.

Our research found that gambling websites are often designed with friction in the wrong places, making it easier to sign up for an account and start gambling than it is to withdraw your money and close an account.

For example, most online gamblers estimate that it takes 5 minutes or less to open a new account. However, many sites do not allow users to close their account directly from the website, instead requiring them to contact customer services. It shouldn't be harder to close an account than it is to open one.

The design of online gambling products is leading to harm

The way that many products are designed can make it harder for people to stay in control of their gambling. Fast paced games have been identified as a particular problem.[1]

Other slippery features include the feeling reported by online gamblers that the money being spent on games is 'not real'. This disconnection is compounded by the fact consumers can play uninterrupted through their smartphones.

Worryingly, 1 in 5 online gamblers regret gambling either every time they do it or most of the time - increasing to 1 in 2 for people in gambling debt.

Gambling controls are effective but underused

Our research shows that those who use gambling controls, such as time spent reminders, loss limits and deposit limits, find them highly effective. Over 70% of people who had used these types of features said they were effective in helping them stay in control of their gambling.

However gamblers face barriers to accessing these controls and uptake is low. This is true even for very effective controls like the loss limits per day/week/month tool, which only 10% of online gamblers are making use of.

Safer gambling requires safer defaults

Default settings are powerful tools that influence our behaviour. However, currently the default setting on gambling sites means there are few limits on the time and money a customer can spend. If the government and gambling companies are serious about encouraging safe gambling then safe gambling controls should be in place by default. And the majority of online gamblers agree. In this report we'll explain how safe online gambling can be made the default.

The story in numbers

18.4 million people regularly gamble online

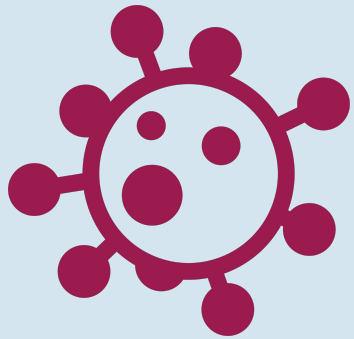
3.3 million people are in gambling debt

86% of online gamblers say it's easy to sign up to online gambling websites

We estimate that the average (mean) value of gambling debt is £10,000

1 in 5 (21%) online gamblers regret gambling either every time they do it or most of the time

57% of people in gambling debt said their debt has increased during the pandemic



1. Online gambling and debt

Online gambling in 2021

Gambling is easier to access than ever before

Gambling in 2021 looks very different to gambling 10 years ago. Developments in technology mean you no longer have to go to a bookies, casino or bingo hall to gamble, people can gamble at any time of the day from their own home.

Half of online gamblers say they gamble online at least several times a week, with a quarter doing so every day.

The movement of gambling online has also made it far easier to gamble at hours that would not have been possible in the past!

One in three gamblers said they mainly gamble between the hours of 7pm to 5am

Online gambling is and has been a growing market; even before the pandemic began. The gross gambling yield from remote betting has increased by a third going from £4.2 billion in 2015/16 to £5.7 billion in 2019/20. Remote betting, bingo and casino yield now comprises around 40% of the overall gambling market.[2]

Most people gamble on their smartphone

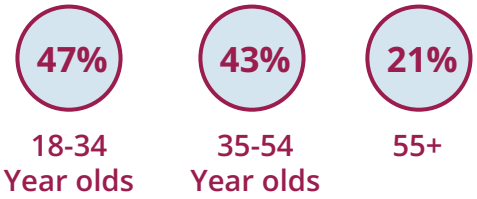
More than 3 in 5 online gamblers use their smartphone to gamble. This makes gambling accessible at the touch of a button where once it would have required a trip to the high street.

Most gamblers are also registered with multiple sites. 79% are signed up to more than one gambling site or app, a quarter are registered with more than 5 and 12% with more than 10.

The ability to place bets on multiple sites at once can make it easy for people to rack up significant losses in a short space of time - particularly when it comes to fast paced casino games.

Young people are more likely to gamble online

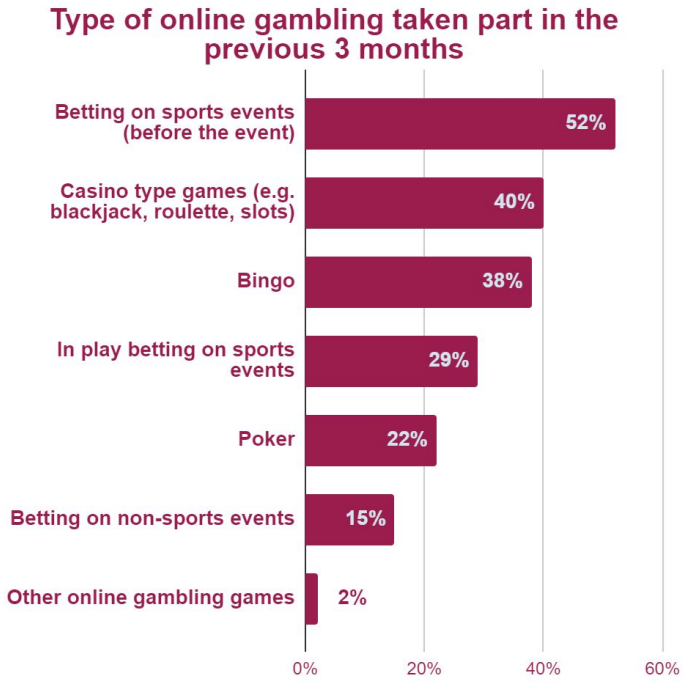
Percentage of people who gambled online in the last 3 months:



Betting on sports is the most popular form of online gambling

Half of people who gamble online place bets on sporting events before the event, and 3 in 10 take part in in-play betting.

The next two most popular forms of online gambling are casino games and bingo.



Difficulties staying in control lead to gambling debt

Gambling can be an enjoyable activity and many people are able to gamble safely. However, when people struggle to stay in control, they can spend more than they intended to and end up in spiralling gambling debt. The way that online gambling is currently designed means that it's too easy for people to lose control.

18% of online gamblers are in gambling debt, that's 3.3 million people.

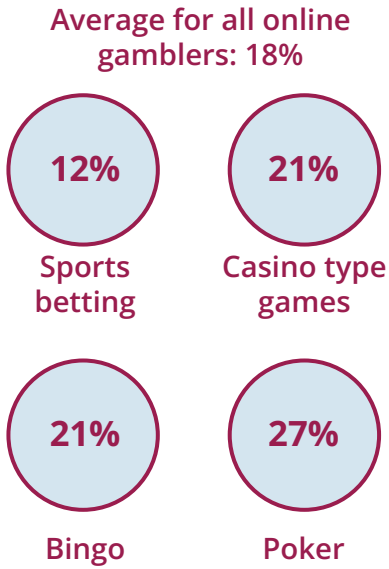
The average value of people's gambling debt is £10,000.

Those with a long term mental health condition or who are disabled are more likely to be in gambling debt

21% of disabled online gamblers and 36% of online gamblers with a mental health condition are in gambling debt. This is compared to 12% of non-disabled gamblers.

Gambling debt is more common amongst people who play online casino type games

Percentage of people who are in gambling debt by type of online gambling activity people engage in:



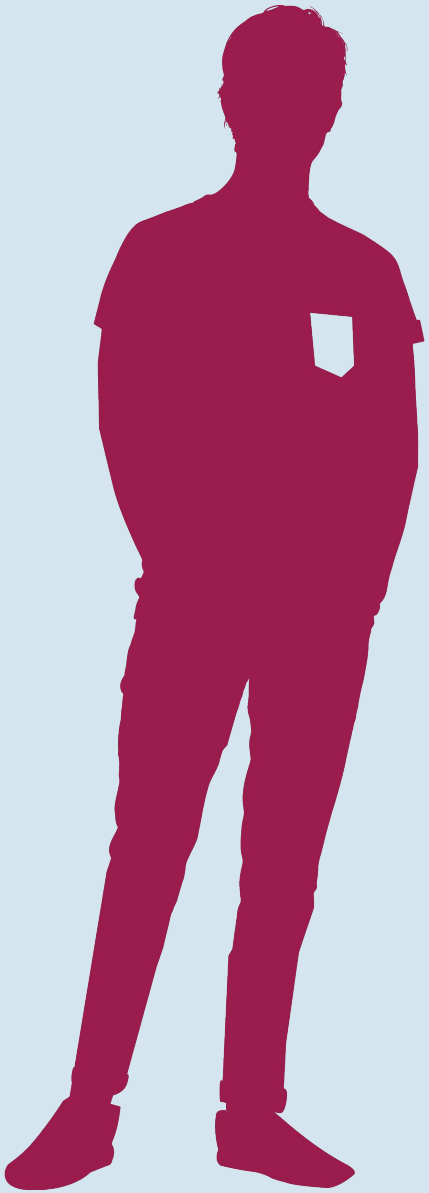
This shows that fast paced online gambling games have high levels of harm associated with them.

Allowing people to stay in control of their gambling is key to preventing gambling debt

1 in 5 online gamblers regret gambling either every time they do it or most of the time. This rises to 1 in 2 for people currently in gambling debt.

Whilst people may not plan to spend a lot on online gambling, the product design can prey on impulsivity. And those who find it harder to stay in control are more likely to end up spending more. Those who are in gambling debt are more than twice as likely to find it difficult to stay in control of their gambling than those who aren't in debt.

To prevent gambling debt, the design and default settings of gambling sites need to be geared towards helping people stay in control, not exploiting their impulsivity.



Peter lost £8,000 gambling online whilst experiencing a manic episode due to his mental health condition

Jeanette called Citizens Advice on behalf of her son, Peter, who is disabled. Peter has autism and bipolar disorder and lives In a specialist residential home.

Jeanette told us that a few weeks ago, when her son was having a manic episode, he managed to lose £8,000 betting online. He did this in just two transactions.

Soon after, he was taken to a community and mental health support service who assessed him and deemed that he was not aware of the consequences of his actions and was not responsible when he placed those bets.

This left both Peter and his mother in severe financial distress. The money Peter lost was inheritance from his grandmother.

Peter has now recovered and is devastated at what he has done, with no recollection of it. He and his mother have written to the online gambling company but have had no response.

Peter's story shows the devastating financial impact that online gambling can have when there are no default protections in place.

2. Online gambling is like quicksand - easy to slip into, but difficult to get out of

Online gambling is too easy to slip into...

Creating an online gambling account is quick and easy

When we asked online gamblers, 86% of them said it was easy to open a new account on a website. A third (35%) estimate that it takes roughly 3 minutes or less, and most (72%) think it takes roughly 5 minutes or less.

Whilst a frictionless customer journey is often seen as a good thing, when risky spending is involved it's important that people have time to consider their decisions. It is harder for people to stay in control when the sign up process is slippery.

It's too easy to lose track of time

Half of those that play bingo, poker or casino style games frequently or always lose track of time.

What's particularly concerning is that those in gambling debt are much more likely to say that they frequently or always lose track of time. This demonstrates a link between the feeling of detachment from time and the degree of gambling harm that players experience.

Gambling websites offer 'time spent on site' reminders which help restore that connection to time and reality. While some companies encourage customers to set one or have one set as default, there's currently no mandatory requirement to do so.

Designing gambling sites and apps without these reminders as default makes it easier for people lose track of time and spend more than they intended to.

Deposit ceilings are currently set too high

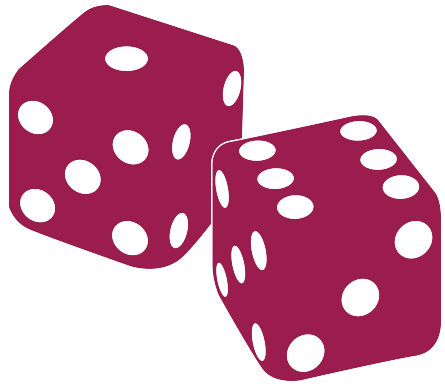
Some gambling websites prompt customers to set themselves a limit on the amount of money they're allowed to deposit. Gambling operators also set their own 'deposit ceiling' which provides a default limit on the amount a customer can deposit, in the absence of a self-imposed limit.

Across the 20 gambling sites we mystery shopped, the deposit ceiling varied massively. While the lowest was set at £1,000, other operators appear to allow deposits in excess of £100,000.

The result of slippery product design and high deposit ceilings is that people can easily create an account and spend thousands of pounds in a matter of minutes. Lower deposit ceilings can help to prevent this by adding a degree of helpful friction to the process.

Recommendation 1: The government should implement regulation that would require gamblings companies introduce a standard deposit ceiling across the board as the default.

Recommendation 2: The government should require firms to conduct affordability checks on high value deposits.



… but it’s difficult to get out of

Withdrawing money or closing an account proves more difficult

In contrast to the ease of opening a gambling account and depositing money, when it comes to closing an account it’s not nearly as simple.

Permanently closing an account on a gambling website was found to be a highly effective self-exclusion tool amongst those surveyed, with 81% of online gamblers who’d used this feature saying it was effective at helping them control their gambling,

Almost half of the websites (9 out of 20) we looked at didn’t allow a user to close an account independently on the site itself. Instead, these sites required users to contact customer services separately via either email, telephone or live chat.

Adding this additional friction may deter some gamblers from closing an account.

Some sites also make it difficult to withdraw money from your account.

We asked online gamblers if, in the previous three months, they **had to take any actions before they could withdraw their winnings:**

49% were required to have a **minimum amount in their account**

39% were required to **place another bet**

39% were required to **start another game**

39% were required to **deposit more money**

It shouldn’t be harder to close an account and withdraw money than it is to open an account and spend money. This imbalanced product design makes it harder for online gamblers to stay in control.

Recommendation 3: The government should introduce regulation that requires all gambling sites and apps to allow customers to close their account directly from the app or site'

Online gambling providers should also make this option to close an account clearly visible and easy to find on their sites.

Recommendation 4: The government should ban online gambling firms from requiring customers to place further bets or engage in further games before accessing winnings.

Ahmed was allowed to re-open the same account multiple times despite trying to take control of his gambling

Ahmed contacted us to tell us that he was a problem gambler. He had on several occasion tried to take control of his gambing but he was having trouble permanently closing his account.

He told us that over a 10 year period, he had lost 'a lot of money' on one singular website. He also told us that over this period he has attempted to close his account on this site multiple times. He estimated that it was possibly more than 10 times over this period.

He believed that each time he closed his account that he was requesting to have his account "permanently closed". He was then however allowed to reopen the same account on each occasion. Creating a cycle of closing, reopening, spending and closing again.

He feels let down and believes that he should not have been allowed to open and close the same account on the same website multiple times. As a result he has spent lots of money that he thinks the company should not have let him spend.

3. Slippery product design leads to gambling harm

Slippery design features

The online gambling industry has changed rapidly in recent years and advances in technology and product design have opened the door to new types of gambling.

Customers now have instant, 24/7 access to gambling products containing features that haven't been present in traditional gambling venues like casinos and high street bookmakers.

The product design on online gambling sites is sophisticated, drawing on insights from behavioural psychology. Gambling operators know more than ever about how consumers make spending decisions and use this to encourage people to spend more money - often without us realising.

There are 3 particularly concerning ways that online gambling sites make it harder for us to stay in control:

1. By making money feel like it's not real

2. The increased availability of fast-paced games

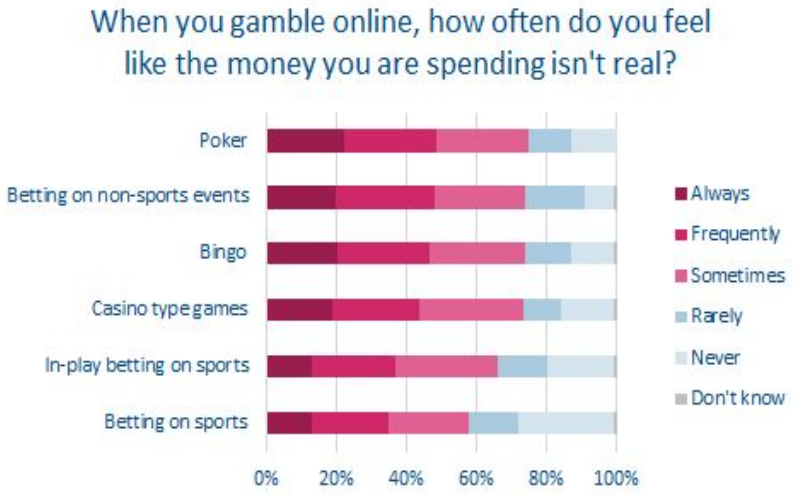
3. Using cleverly-timed prompts and nudges

Gambling operators have a responsibility to help their customers avoid problem gambling and gambling-related harm, but some of their product features are having the opposite effect. In the following sections we will explore the impact of these features in more detail.

Slippery design features

Money isn't made to feel real

When people gamble online, they often don't feel like they're spending real money. Half (49%) of people who play poker online say the money they spend always or frequently doesn't feel real.



This is concerning because when money doesn't feel real, people are less likely to take the time to think through whether they can afford to place another bet.

GambleAware and the Behavioural Insights Team found that 'less tangible' forms of money reduce people's decision making time and increases their spending.[3] They found the feeling that the money wasn't real encouraged gamblers to spend more than they had wanted and to be less careful with their spending.

The design of gambling sites, apps and games can make a significant difference to whether someone feels like they're spending real money. Frictionless spending enabled through features like one click deposits may contribute to this sense of disconnection from 'real money'.

Design features are also making it increasingly difficult for people to distinguish between a free game and a gambling game. 2 in 5 (42%) online gamblers say they've spent money without realising, and 37% of those who spent money without realising said the reason was that they thought they were playing an 'ordinary game'.

Online gambling sites must put care into the design of gambling games to ensure they're distinguishable from free games, and to remind the player that the money they're betting is real. Later in this report we explore how 'reality checks' (that remind customers how long they've been on the website or how much money they've spent) can help with this.

Slippery design features

Fast paced games can make it harder to stay in control

Fast paced online games can make it more difficult for people to stay in control of their spending - the faster someone can play a game, the faster they can lose large sums of money.

1 in 4 (25%) online gamblers say that the fast paced nature of the games makes it harder to stay in control. Worryingly, this is much higher for those who said they already find it hard to stay in control. They're almost twice as likely to say the fast paced nature makes it hard (38%, compared to 22% of those who say it's easy to stay in control).

Our evidence shows that in the previous 3 months, **30% of online gamblers who played fast paced games had lost over £100 in one sitting** from playing those games.

This rises to:

- **35%** for people with a mental health condition
- **38%** for people who identify as belonging to a Black, Asian or minority ethnicity ethnic group
- **60%** for people in gambling debt

The £2 stake limit on fixed odds betting terminals was introduced to help people stay in control of their spending, because it was too easy for customers to lose large sums of money in a short period of time on these games.

However, there are no similar mandatory stake limits on fast paced gambling games online. This leaves people exposed to arguably worse risks than the fixed odds betting terminals, as online, the money often doesn't feel as real and it's possible to be playing several fast paced games on different sites at the same time.

Prompts and nudges pressure people to spend more

It's important that gamblers have enough time to make significant decisions about their spending. However, there are some features built into the design of online gambling products which encourage customers to increase their bet or take greater risk without allowing enough time to properly think through the implications.

Design features such as prompts and nudges encourage customers to make spending decisions under time pressure and may lead them to make decisions that they otherwise wouldn't have. An example would be a bingo company offering the consumer free spins if they deposit money there and then.

For people who find it difficult to stay in control of their gambling, 37% say time pressures to place or increase bets make it harder to stay in control of their spending.

Gambling can be addictive. With this in mind, operators should not deliberately encourage users to make impulsive decisions which can lead them to spend large sums of money without the time to fully consider their decision.

Recommendation 5: The government should introduce a fixed stake limit for the fastest paced online gambling games - comparable to the introduction of the stake limit on fixed odds betting terminals.

Recommendation 6: The government should place a ban on time pressures for customers to increase their bets.

4. Making safe gambling the default

Existing gambling controls can be effective but the take up is low

Many gambling sites now allow people to set up safer gambling controls. These include options to set stake limits, loss limits and time limits, as well as reality checks - reminders of how long you've been on the site.

These settings can be **highly effective** for those who are looking to stay in control of their gambling.

However, awareness of them is low and they are underused.

Reality checks

When we gamble in casinos, or use the fruit machines in a pub, our play is regularly interrupted by the need to pay in more money.

These interruptions are good. They allow us to pause for a moment, think about how much we've spent and decide whether to spend more.

However, online, we can play for hours without any interruption. The result of this for many people is losing track of time and spending more than they intended.

'Reality checks' are controls designed to bring these natural interruptions into the world of online gambling.

If a person signs up to reality checks, they receive regular pop up notifications stating how long they've been on the site and in some cases how much money they've won and lost. They must then acknowledge the reminder before it will be removed from their screen.

People who used reality checks when gambling online found them highly effective

77% of people who used time on site reminders found them effective in controlling their gambling.

83% of people who used reminders of how much they had spent found them effective.

However, very few online gamblers make use of reality checks

Many gamblers are not aware that these tools exist. The gambling commission found that 63% of gamblers are not aware of the existence of the reality check tool.[5]

And despite their effectiveness, **only 13% of online gamblers have used time on site reminders** and 17% have used money spent reminders.

Existing gambling controls can be effective but the take up is low

Stake, time and loss limits

Another feature offered by most gambling sites is the ability to place limits on the amount of time or money you spend on the site.

Stake limits, loss limits and time spent gambling limits can all be extremely helpful in ensuring people only gamble up to a point they can afford and not beyond that limit. These limits can also be a helpful safety net for those who tend to lose track of time or feel as though the money they're spending isn't real.

3 in 4 (77%)

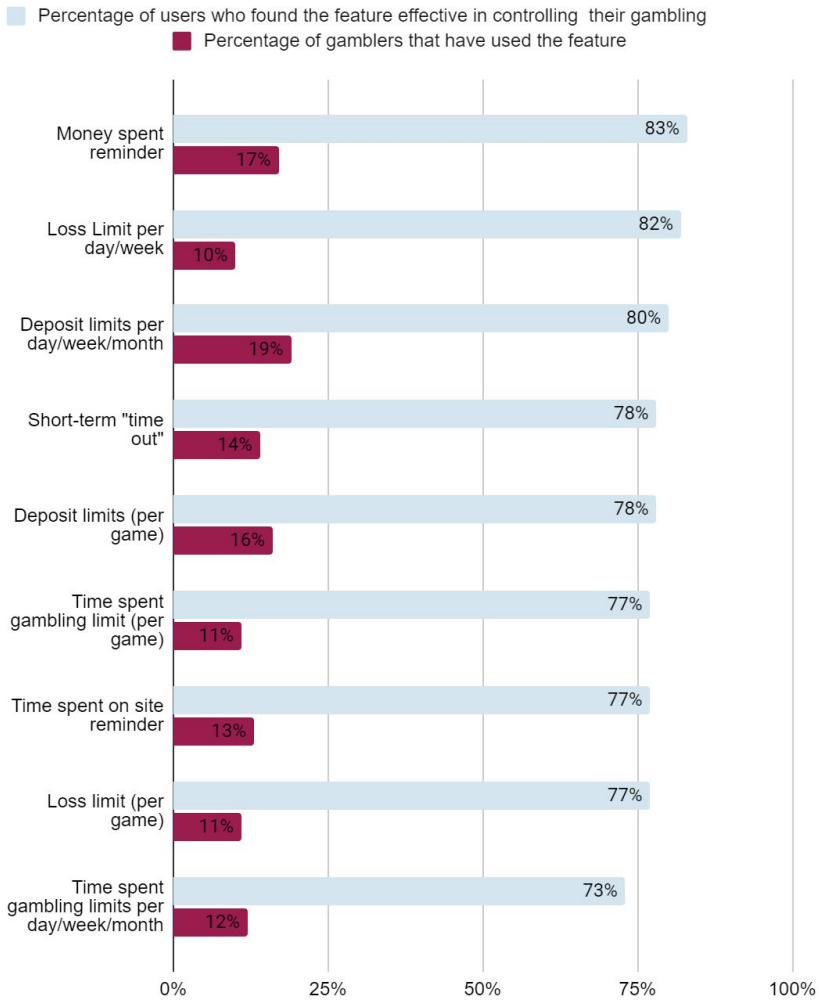
of people who have used these limits say they were **effective in helping them stay in control of their gambling.**

Despite their effectiveness, few people are setting time or spending limits

The default setting on a gambling account is often to not have a time or a lower spending limit set up, and like with reality checks, the awareness of the ability to change these is low. With 41% of gamblers not realising it is possible to place financial limits on themselves.[5]

Even for one of the most effective limits, loss limits per day/week/month, only **10%** of online gamblers are making use of it.

Percentage of online gamblers that found the limits effective v percentage that have used them.



Safer gambling requires safer defaults

Defaults are powerful

People are strongly influenced by defaults - we are much more likely to stick with default settings than take the time and effort to change them. When it comes to gambling products and controls, the actions that operators and the government take regarding default settings will have a significant impact on the decisions customers make.

For example, opt out systems have been used by the government to make auto-enrolment the default for schemes that are generally accepted to have a positive impact on individuals or society but are undersubscribed. These opt out systems have produced successful results when put in place for laws around organ donation and enrolment for workplace pensions.

Safer gambling requires safer defaults

It's clear that gambling controls like reality checks and time/spending limits can significantly improve people's ability to stay in control of their gambling.

However, currently the default set up of many online gambling accounts means that there are very few limits placed on people's gambling. The barriers to changing these settings can be high, with many gamblers unaware of safer gambling tools.

If gambling companies and the government are serious about reducing gambling harm, they should start by changing the default settings on gambling sites.

Recommendations 7 & 8:

The government should introduce a requirement on online gambling operators to make safe gambling controls the default setting.

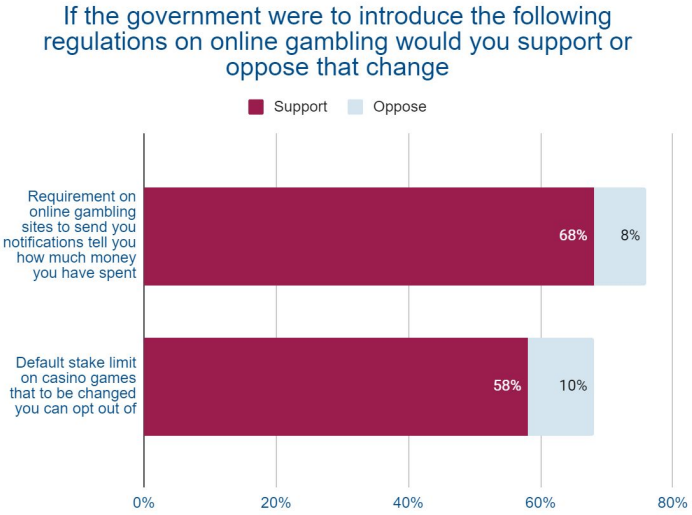
This would mean that, unless they change their settings, online gamblers will:

- Receive a reality check reminder every 30 minutes, showing how long someone has spent on the site and how much they have spent/lost.
- Have stake, loss and time limits in place.

Like with other auto enrolment schemes, users would have the option to opt out if they wish. This change would mean a shift to safer gambling by default, rather than relying on customers to seek out the controls themselves.

A move to safer defaults would be popular with online gamblers

When we put this proposal to online gamblers, the response was overwhelmingly positive. The majority of online gamblers would be supportive of default limits and reality checks and only a small minority would oppose the change.



5. Recommendations

Recommendations

The nature and availability of online gambling has evolved rapidly, but the protections for gamblers have not kept up with this change.

It is often easier to sign up to an online gambling site and quickly lose large sums of money than it is to put in place safe gambling controls or close an account.

If the government and gambling operators are truly committed to safer gambling, they should make safe gambling settings the default for users.

To make safe gambling measures effective, gamblers shouldn't be left to opt into them, instead they should be left to opt out of them only if they wish to.

The recommendations below outline how the government and the gambling industry can ensure safe gambling is the default setting:

We recommend that the government and gambling commission should:

1. Require gambling sites to introduce a standard deposit ceiling across the industry as the default.
2. Require gambling sites to conduct affordability checks on high value deposits.
3. Require all gambling sites and apps to allow customers to close their account directly from the app or site.
4. Ban online gambling firms from requiring customers to place further bets or engage in further games before accessing winnings.
5. Introduce a fixed stake limit for the fastest paced online gambling games - comparable to the introduction of the stake limit on fixed odds betting terminals.
6. Ban time pressures for customers to increase their bets.
7. Require all online gambling operators to provide 'reality checks' (time spent on site and money spent reminders) to customers every 30 minutes by default.
8. Require all online gambling operators to set default (opt-out) stake, loss and time limits on gambling accounts.

Methodology

In February 2021 Citizens Advice commissioned Savanta to survey 2015 GB adults (18+) who had gambled online in the previous 3 months. The fieldwork was conducted from the 22nd - 26th February 2021.

Whenever a figure in the report is referring to 'online gamblers' we are referring to this specific group and therefore 'those who have gambled online in the last 3 months of our polling'.

Savanta also conducted a survey on a representative sample of 2110 British adults (over 18s) to understand the frequency of online gambling in the population as a whole. The fieldwork was conducted from the 12th - 14 February 2021.

Citizens Advice conducted mystery shopping of the 20 most popular gambling and betting brands based on YouGov - The Most Popular Gambling & Betting Brands. Q3 2021. Selection excludes lotteries, and where multiple sub-brands appear on the same umbrella brand website, the site was only assessed once.[4]

The case studies included in the report are based on the experiences of people who have contacted Citizens Advice, either through our local offices or our consumer service. The names of those used in the case studies have been changed.

The awareness of safe tools/features data can be found in reference 5 under the section titled 'Financial limit-setting tools have the highest awareness and use'.

The data on the gross gambling yield can be found in the spreadsheet titled 'Industry Statistics - November 2021'.

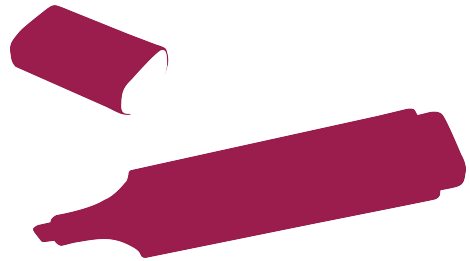
Calculations

18.4 million adults have gambled online: this is based on 36% of adults saying they have done so and a projected GB adult population of 51 million people.[5]

3.3 million are in gambling debt: this is based on 18% of online gamblers saying they are currently in gambling debt.

References:

1. https://link.springer.com/article/10.1007/s10899-017-9701-7
2. The Gambling Commission - Industry statistics. May 2021.
3. The Behavioural Insights Team and GambleAware - Can behavioural insights be used to reduce risky play in online environments? 2018.
4. YouGov - The Most Popular Gambling & Betting Brands. Q3 2021.
5. Office for National Statistics. Estimates of the population for the UK, England and Wales, Scotland and Northern Ireland. 2021.
6. The Gambling Commission - How the consumer engages with safer gambling opportunities. July 2021.



Free, confidential advice.

Whoever you are.

We help people overcome their problems and campaign on big issues when their voices need to be heard.

We value diversity, champion equality, and challenge discrimination and harassment.

We're here for everyone.

citizensadvice.org.uk

Published December 2021

Citizens Advice is the operating name of the National Association of Citizens Advice Bureau.
Registered charity number 279057.